

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **November 11, 2003**

AGENDA ITEM NO.: 11

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: Public Hearing Regarding The Reallocation Of Lynchburg Homeownership Project Funds In The Home Program.

RECOMMENDATION: Conduct a public hearing to consider reallocation of \$32,500 in the Lynchburg Homeownership project funded in the HOME Program. The funds are recommended to be reallocated to three projects: (1) Lynchburg Covenant Fellowship; (2) Rush Homes; and (3) College Hill Homes, LP.

SUMMARY: In the 2002-03 HOME Program funds received from the Department of Housing and Urban Development (HUD) for \$155,000 were allocated to the Lynchburg Neighborhood Development Foundation (LNDF) for the Lynchburg Homeownership project. There is approximately \$39,000 remaining in the approved allocation for this project. LNDF has submitted a request to redirect \$32,500 of the project funds to support rental projects that are within a pilot site chosen by the Lynchburg Housing Partnership, of which LNDF is a partner. The rental projects to be assisted are as follows:

1. Lynchburg Covenant Fellowship (LCF) to assist with the rehabilitation of four, low-income apartments located in the Western Hotel at the corner of Fifth and Madison Streets. It is proposed that \$20,000 would be provided to LCF for this project.
2. Rush Homes (RH) to assist with the rehabilitation of two apartments at 605 Harrison Street for homeless adults with disabilities. It is proposed that \$8,000 would be provided to RH for this project.
3. College Hill Homes, LP to cover additional expenses related to the costs of lead paint cleaning and clearances for the ten apartments in the College Hill area. It is proposed that \$4,500 would be provided to College Hill Homes for these costs.

This request is consistent with the goals and objectives in the 2000-2005 Five-Year Consolidated Plan for the Community Development Block Grant (CDBG) and HOME Programs. Since there is more than \$5,000 being requested for reallocation and the scope will change from homeownership projects to rental housing projects, the CDBG/HOME Citizen Participation Plan requires that a public hearing be conducted by City Council.

PRIOR ACTION(S): Finance Committee – November 4, 2003

FISCAL IMPACT: N/A

CONTACT(S): Rachel Flynn / 847-1435, ext. 253
Melva Walker / 847-1671, ext. 252

ATTACHMENT(S): Written request for reallocation of HOME funds from the Lynchburg Neighborhood Development Foundation.

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED that \$32,500 of FY 2002-03 HOME Program funds be reallocated to the following rental housing projects: Lynchburg Covenant Fellowship Rental project - \$20,000; Rush Homes Rental Housing project - \$8,000 and College Hill Homes project - \$4,500 with resources of \$32,500 from the 2002-03 Lynchburg Homeownership project.

Introduced:

Adopted:

Certified:

Clerk of Council

194L

LYNCHBURG NEIGHBORHOOD DEVELOPMENT FOUNDATION

927 Church Street
Lynchburg, VA 24504

Phone (804) 846-6964
Fax (804) 846-6966

Laura N. Dupuy
Executive Director

September 22, 2003

Melva Walker
Community Planning and Development
900 Church St.
Lynchburg, VA

RECEIVED
OCT 8 2003
COMMUNITY DEVELOPMENT
GENERAL

RE: Redirection of HOME funds
Lynchburg Housing Partnership Pilot Site

Dear Melva:

As we have discussed generally, I would like to direct \$32,500 of the HOME funds reserved for LNDF's homeownership programs to assist colleagues working within the Pilot Site chosen by the Lynchburg Housing Partnership for collaborative activities. This area consists of the blocks along Madison to Federal Streets between 5th and 8th Streets. Over the past two years, LHP members have worked on multiple houses in this neighborhood including home repairs, new construction and major renovations of existing houses. Attached is a map of the Pilot Site.

The projects that we want to support are rental projects. Below are the projects and organizations with whom we want to share our HOME funds to improve these blocks:

- 1) Lynchburg Covenant Fellowship (LCF) is preparing to renovate the Western Hotel at the corner of 5th and Madison Streets. There are currently 4 apartments in the building, along with some common space and opportunities for community space. LCF assists persons of low income and their residents currently meet the income guidelines of the HOME program. We propose to direct \$20,000 in HOME funds to assist LCF in this rehabilitation project.
- 2) Rush Lifetime Homes has acquired the house at 605 Harrison St. with the purpose of renovating it into two apartments for homeless adults with disabilities. We propose to direct \$8,000 in HOME funds to assist RLH in this project.
- 3) College Hill Homes, LP is complete and nearly entirely leased up. The budget did not include the full costs of lead cleaning and clearances. LNDF, is co-owner and developer of this project. We would like to compensate the partnership for this cost-overrun. We propose to direct \$4,500 in HOME funds to cover these costs.

The grant funds remaining from the 2002-2003 grant award to LNDF should be able to accommodate this request. Since LNDF's programs focus on homeownership activities (acquisition and repair), I realize that this request will need a public hearing and approval by City Council. Please begin this process and let me know what more information you may need.

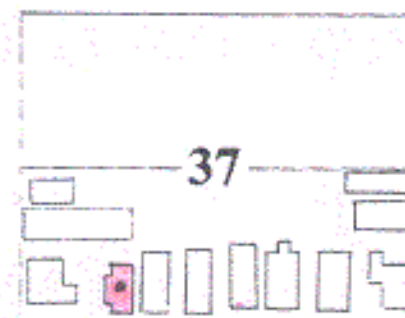
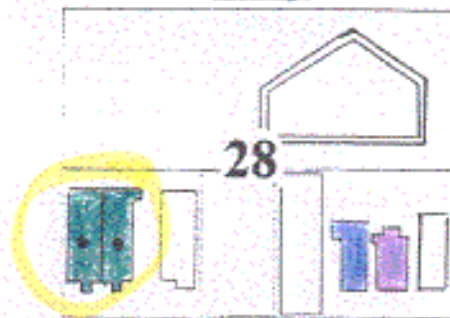
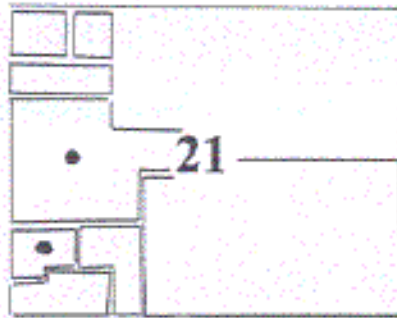
Thank you for your help.

Sincerely,

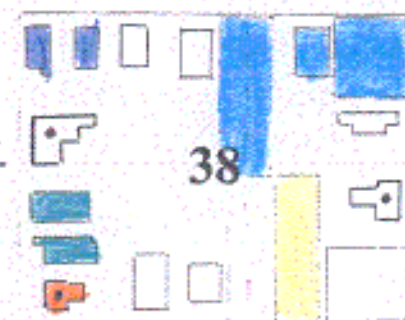
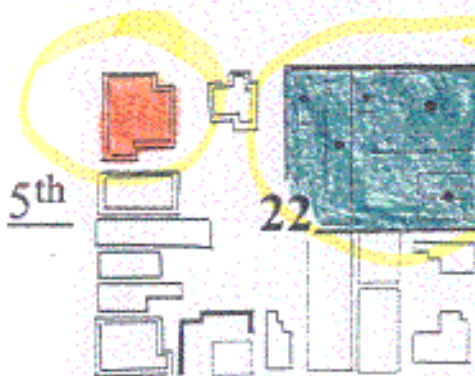

Laura N. Dupuy

College Hill Pilot Site

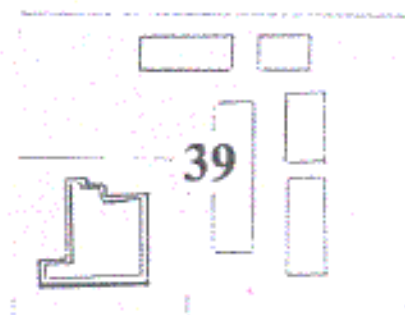
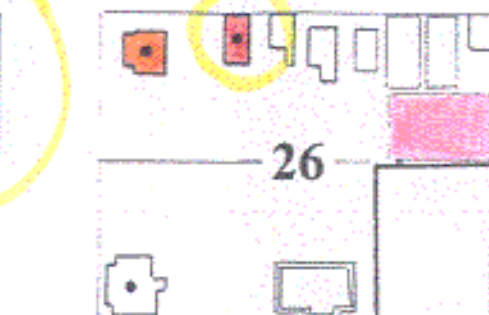
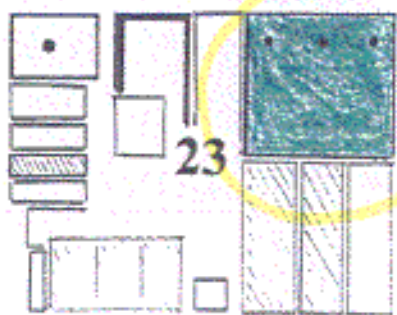
Clay



Madison



Harrison



Federal

INVENTORY

1) Residential Structures	Total	64
2) Owner-Occupied		22
3) Rentals		25
4) Vacant Homes		17
5) Vacant Lots		28
6) College Hill Homes		9
7) Churches/Non-Profits		6

Owner-Occupied	
Rental	
Vacant Lot	
Vacant Home/Boarded Up/ or Appears Vacant	
Housing Authority	
College Hill Homes	
Church/Non-Profit	
Parking Lot	
Shalom Apartments	
Commercial	

College Hill Homes



Rush Lifetime Homes



CCH



College Hill Community School



Habitat for Humanity



LRHA

Churches



Private



LHP



UNDE

